

Department of Social and Health Services

DP Code/Title: PL-9T Transfers
Program Level - 030 Mental Health

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

This decision package requests approval to transfer inpatient-funding authority from the Regional Support Networks (RSNs) to the Mental Health Division (MHD) for inpatient services provided to all federally recognized Indian tribal members.

Fiscal Detail:

Operating Expenditures

FY 1

FY 2

Total

Program Cost

Total Cost

Staffing

Package Description:

In 1997, the federal Indian Health Service (IHS) and the Center for Medicare and Medicaid Services (CMS) entered into a Memorandum of Agreement (MOA) that authorized states to become pass-through entities for Title XIX Medicaid reimbursement for Tribal mental health programs. These programs are responsible for providing services to American Indians and Alaskan Natives (AI/AN) who are Medicaid eligible.

Washington State's implementation plan for the MOA has provided outpatient Medicaid authorization to 16 of the state's 28 Tribes. Some Tribes are simply too small to manage their own mental health service system and they continue to obtain care through the RSNs. The community psychiatric inpatient program currently does not have a provision for Tribal members to receive specialized care in Indian mental health programs.

There are no psychiatric hospitals in Washington that meet the criteria for federally recognized Indian Health Service facilities. Consequently, all hospital services accessed by Tribal members are paid for through the RSNs under Washington's inpatient psychiatric managed care system.

Indian Tribes in Washington want to exercise more control over access to services and the care their members receive in community psychiatric hospitals. This funding would ensure that Tribal members receive inpatient care in conjunction with all other mental health treatment provided by the Tribes. Utilizing existing Tribal mental health service delivery systems would streamline evaluation and authorization processes for community psychiatric hospitalizations. This would increase efficiency in service delivery for the Tribes and give them responsibility for the care of their members. To obtain control over Tribal members, Indian Tribes have requested that the Division submit a budget request to create a fee for service program covering all Tribal members' psychiatric inpatient care.

The inpatient capitated rates paid to the RSNs include the claims paid on behalf of Tribal members. This request is to carve out the portion of inpatient program funding attributable to Tribal members and create a fee-for-service program administered by the MHD to pay for the inpatient psychiatric hospital services accessed by Tribal members. Services for their respective members would be authorized by the Tribes.

Narrative Justification and Impact Statement

How contributes to strategic plan:

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This decision package assists the Division in meeting its goals to create and improve cross-system collaboration.

Performance Measure Detail

Program: 030

Goal: 08C Create and improve cross-system collaboration

Incremental Changes

FY 1

FY 2

Output Measures

8C2 Increase the number of cross-system collaborative projects
undertaken by the mental health system.

1

1

Reason for change:

Indian Tribes have expressed a desire to control the utilization and authorization of their members' inpatient psychiatric care. Currently, this funding is provided to the RSNs as part of the inpatient capitated payment. For the Tribes to have control over their members' inpatient treatment, funding is being transferred from the RSNs to a fee-for-service program administered by the Division.

Impact on clients and services:

This funding would ensure that Tribal members receive inpatient care in conjunction with all other mental health treatment provided by the Tribes. Utilizing existing Tribal mental health service delivery systems would streamline evaluation and authorization processes for community psychiatric hospitalizations. This would increase efficiency in service delivery for the Tribes and give them responsibility for the care of their members.

This change will reduce RSN revenues for inpatient services by over \$1 million per year. Currently, these funds are spent on Tribal members' psychiatric hospital stays.

Impact on other state programs:

None

Relationship to capital budget:

Not applicable

Required changes to existing RCW, WAC, contract, or plan:

RCW 71.24 requires all resources to go to the RSNs. This request would need a budget proviso to exempt it from the RCW.

Alternatives explored by agency:

The alternative explored is to continue service delivery as provided through the RSNs. Tribes are not satisfied with this alternative because they believe their members are not receiving necessary inpatient treatment. The Division has agreed with the Indian Policy Advisory Committee that a request be made to separate the inpatient Tribal program from other inpatient services.

Budget impacts in future biennia:

This change would carry forward future biennia \$1.3 million each year with an off-setting reduction in RSN funding. This would be a fee-for-service program based on actual Tribal claims.

Distinction between one-time and ongoing costs:

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This would be an ongoing cost.

Effects of non-funding:

This change places the authority and responsibility for Tribal members' inpatient care with the Tribes, and out of the purview of the RSNs. If this change is not made, the Tribes will not control the care and treatment of their members.

Expenditure Calculations and Assumptions:

See attachment - MHD PL-9T Transfers.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program Totals			
 <u>DSHS Source Code Detail</u>			
Fund ,	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<u>Sources</u> <u>Title</u>			
 <i>Total for Fund</i>			
 Total			
 Totals for all funds			